



# 2005 Overview and Innovative Practices

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## Presentation Outline

- Summary 2005 - Wage Adjustments
- Outlook 2006
- Innovative Workplace Practices in Ratified Collective Agreements



# Collective Bargaining Information

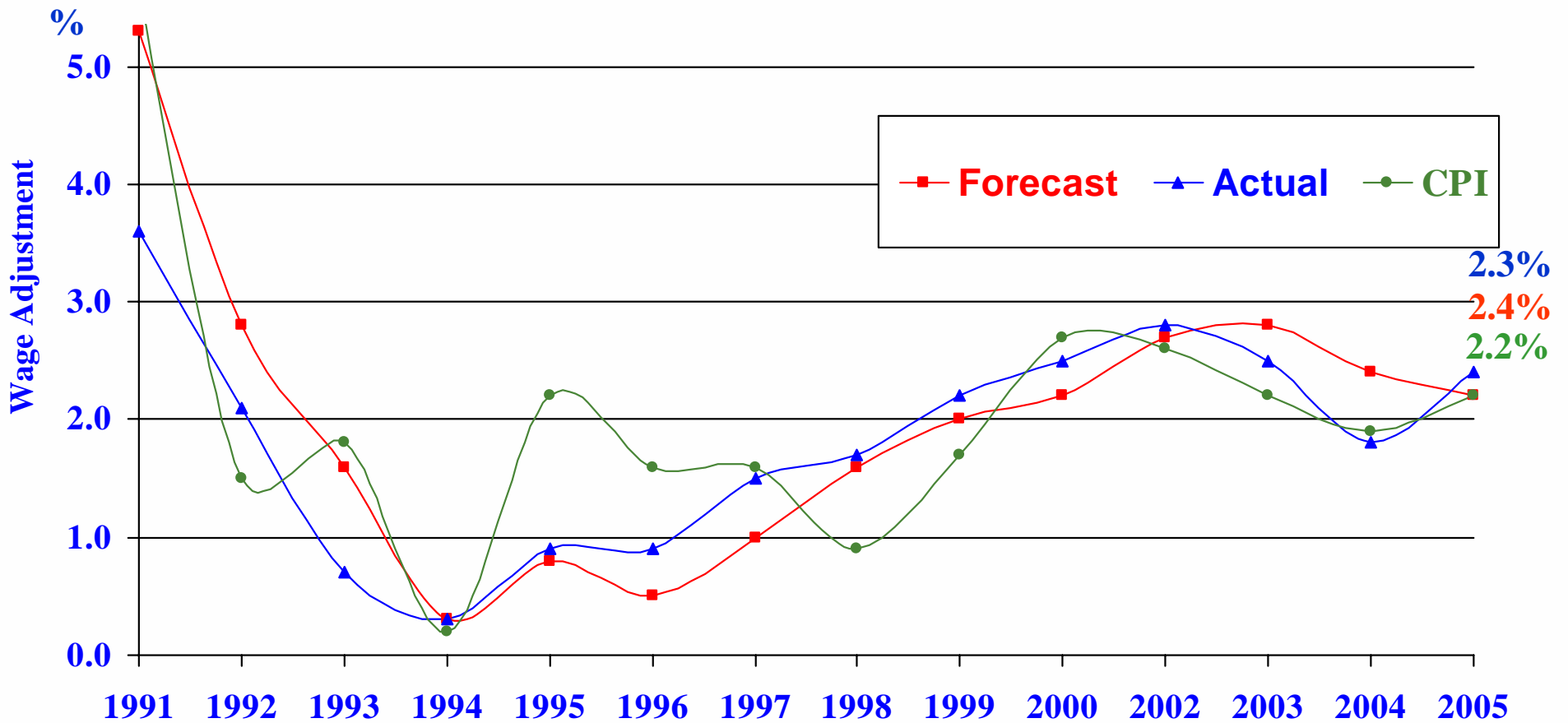
## Workplace Information Directorate

- Tracks, codes, analyzes and reports
- Wage and non-wage provisions
- Large bargaining units
  - 100+ workers (federal jurisdiction)
  - 500+ workers (provincial jurisdictions)

**Negotech** – Electronic database of full text collective agreements and settlement summaries.



# Average Annual Wage Adjustments, 1991–2005

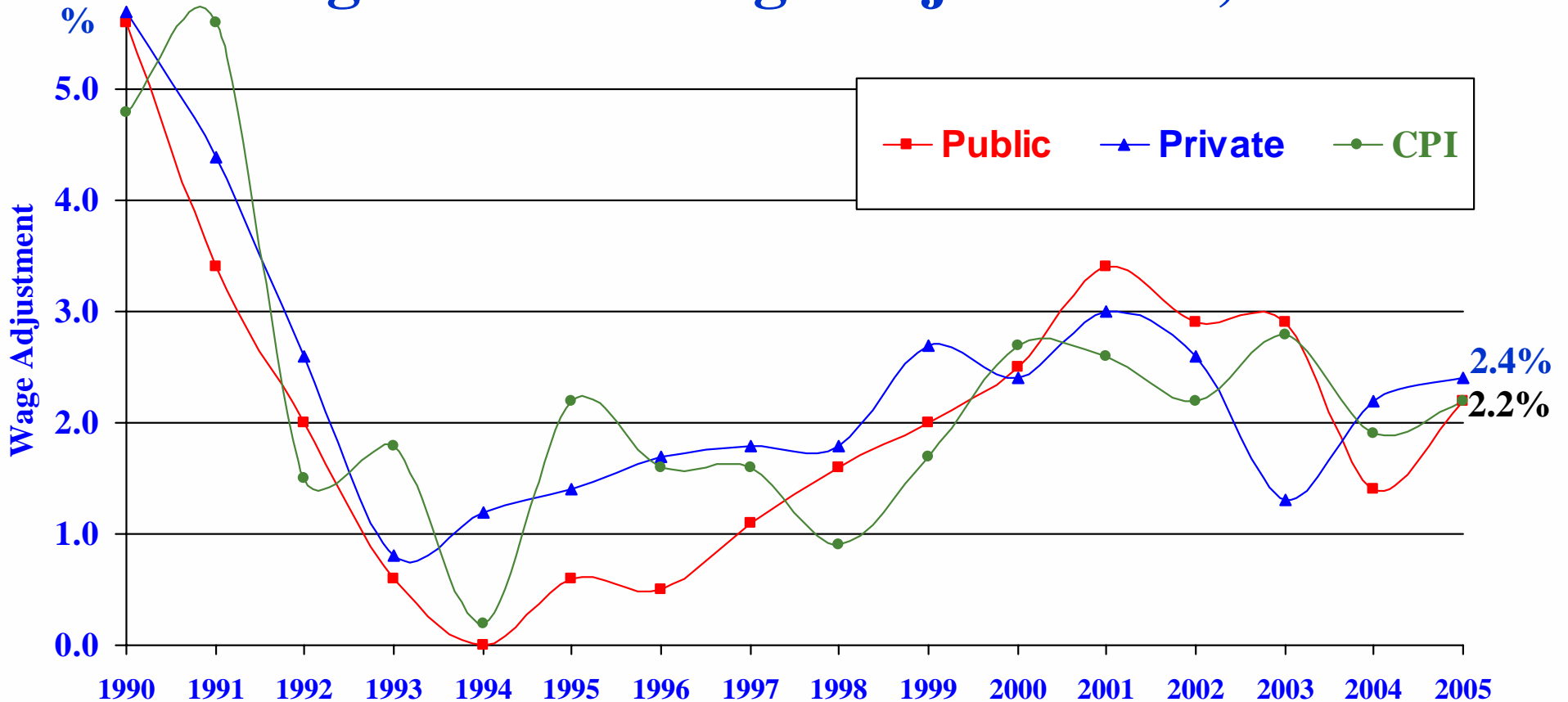


Source: Workplace Information Directorate, Human Resources and Social Development Canada, and Statistics Canada.



# LABOUR PROGRAM

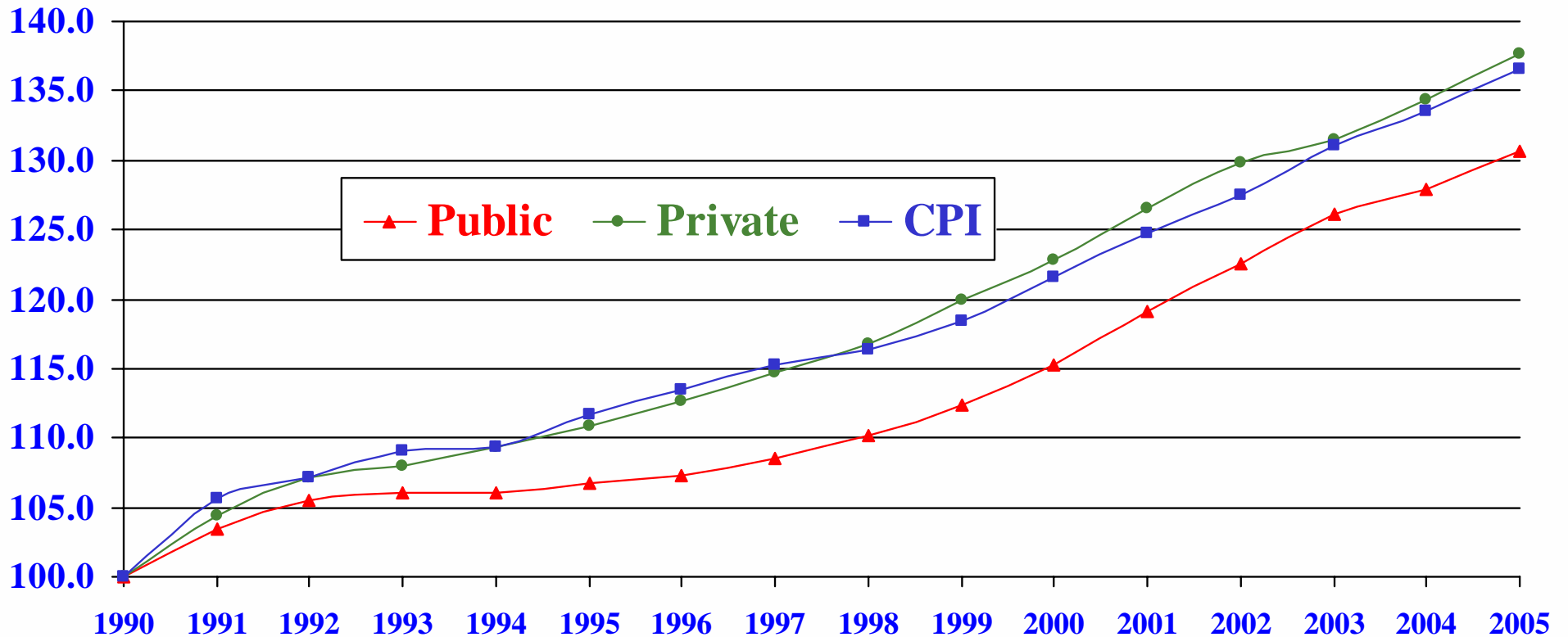
## Average Annual Wage Adjustments, 1990–2005



Source: Workplace Information Directorate, Human Resources and Social Development Canada, and Statistics Canada.



## Index for Public and Private Sectors Wage Adjustments and CPI, 1990–2005



Source: Workplace Information Directorate, Human Resources and Social Development Canada, and Statistics Canada.



## Settlements 2005

Settlements

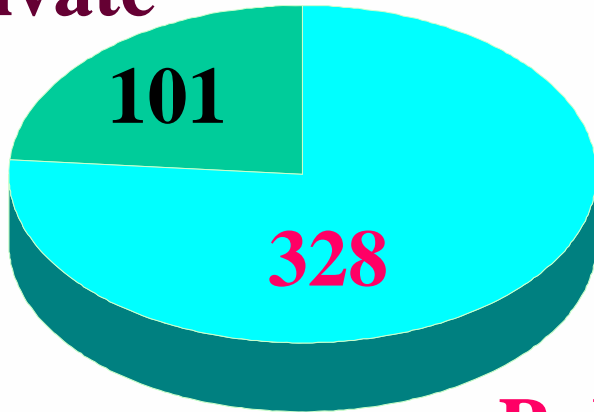
429

Private

101

328

Public



Employees Covered

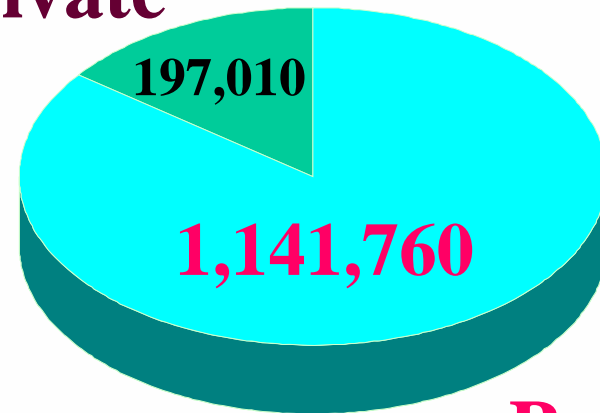
1,338,770

Private

197,010

1,141,760

Public



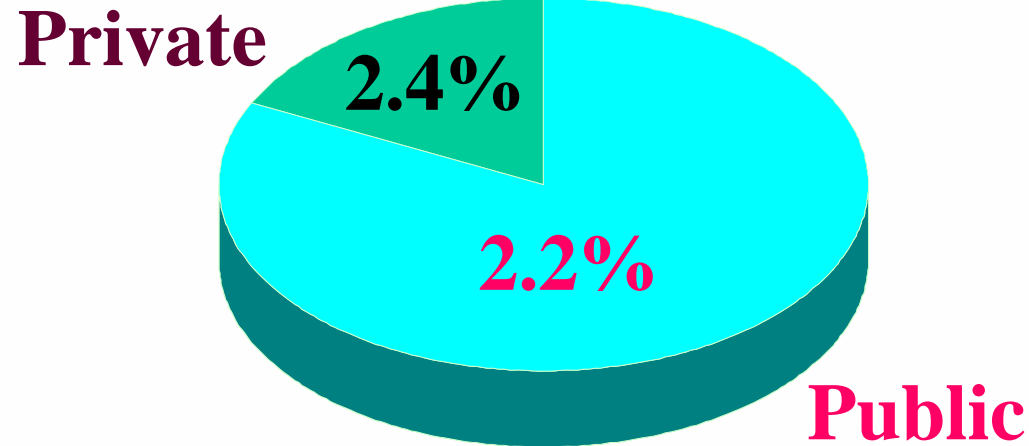
Source: Workplace Information Directorate, Human Resources and Social Development Canada.



# Wage Adjustments, 2005

**All Sectors**    **2.3%**

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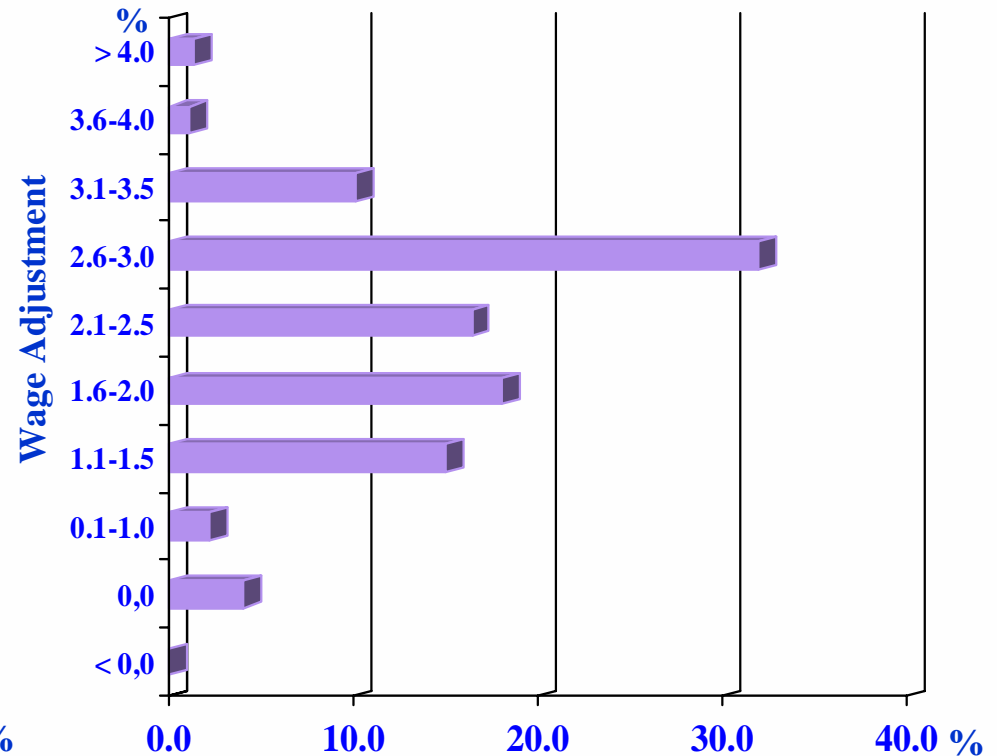
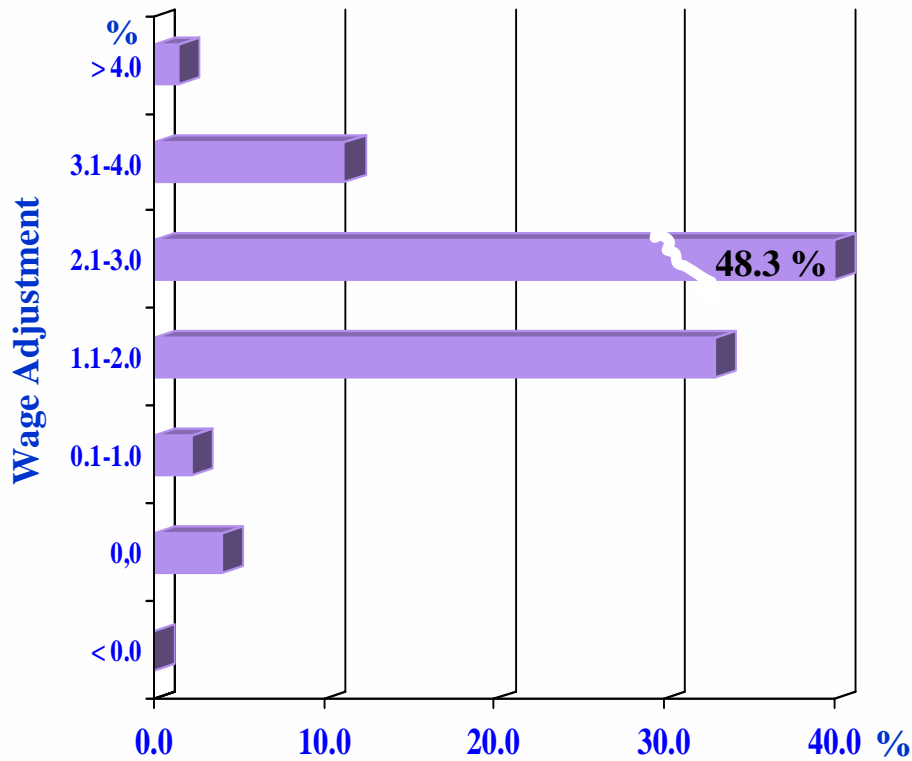
Source: Workplace Information Directorate, Human Resources and Social Development Canada.





# Distribution of Employees by Size of Wage Adjustment, 2005

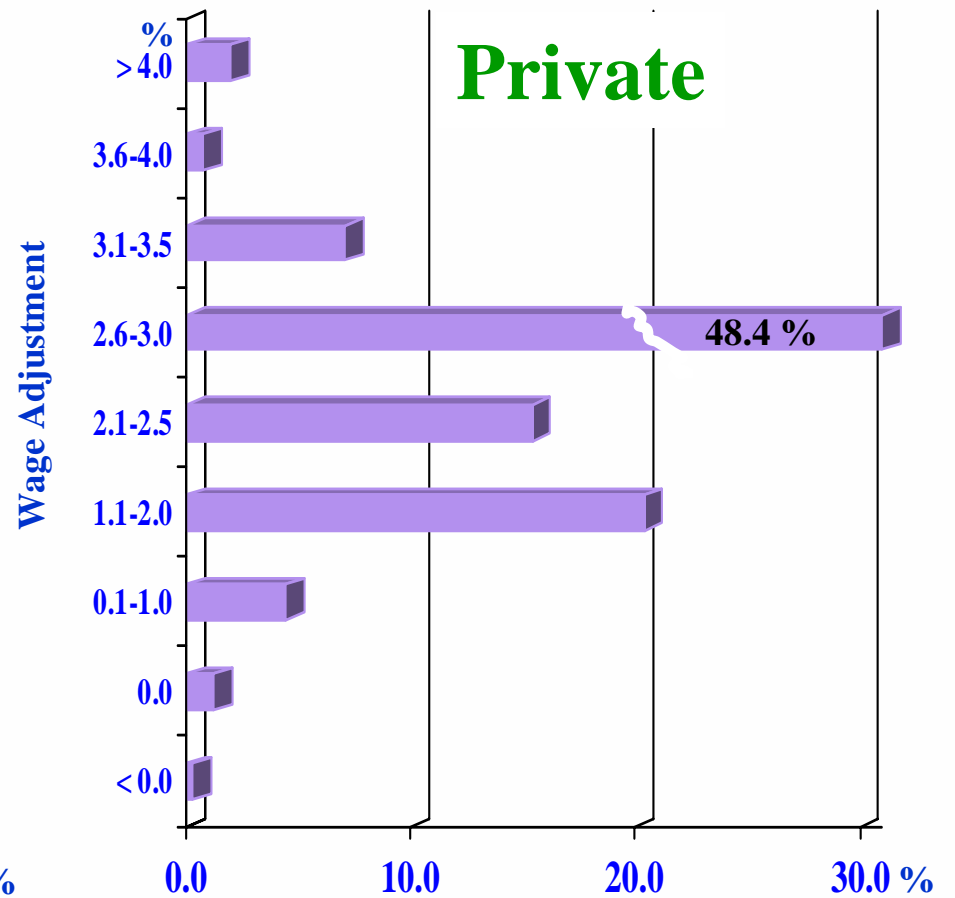
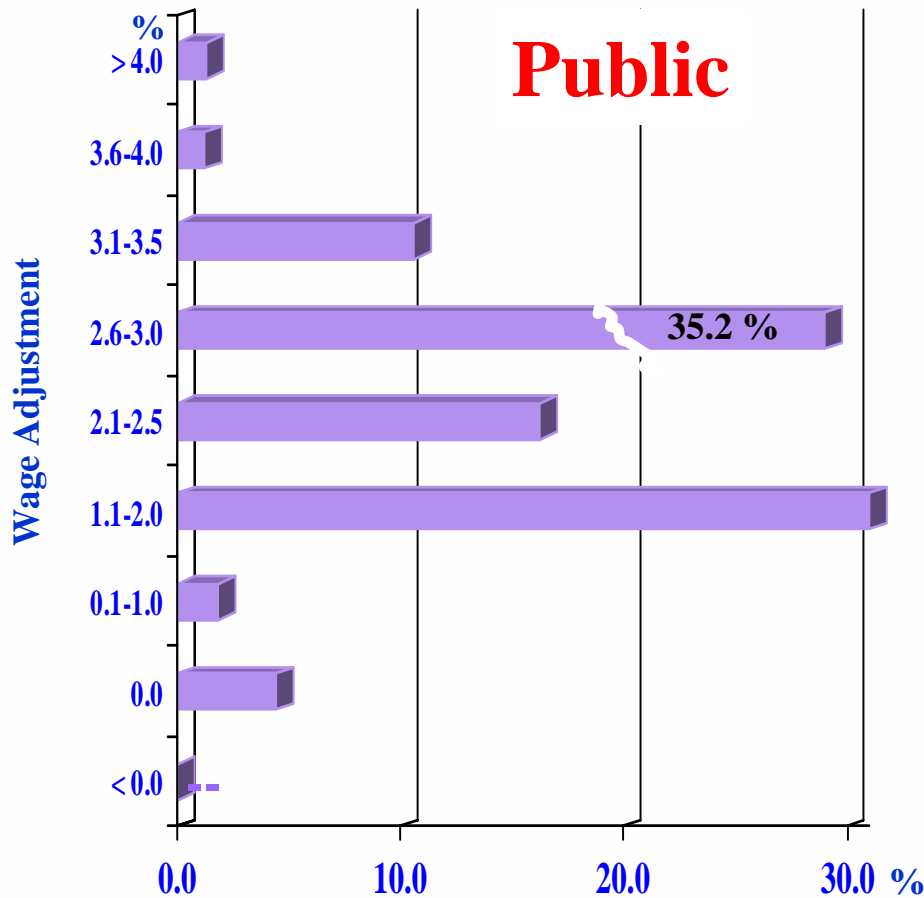
## All Sectors



Source : Workplace Information Directorate, Human Resources and Social Development Canada.



## Distribution of Employees by Size of Wage Adjustment, 2005

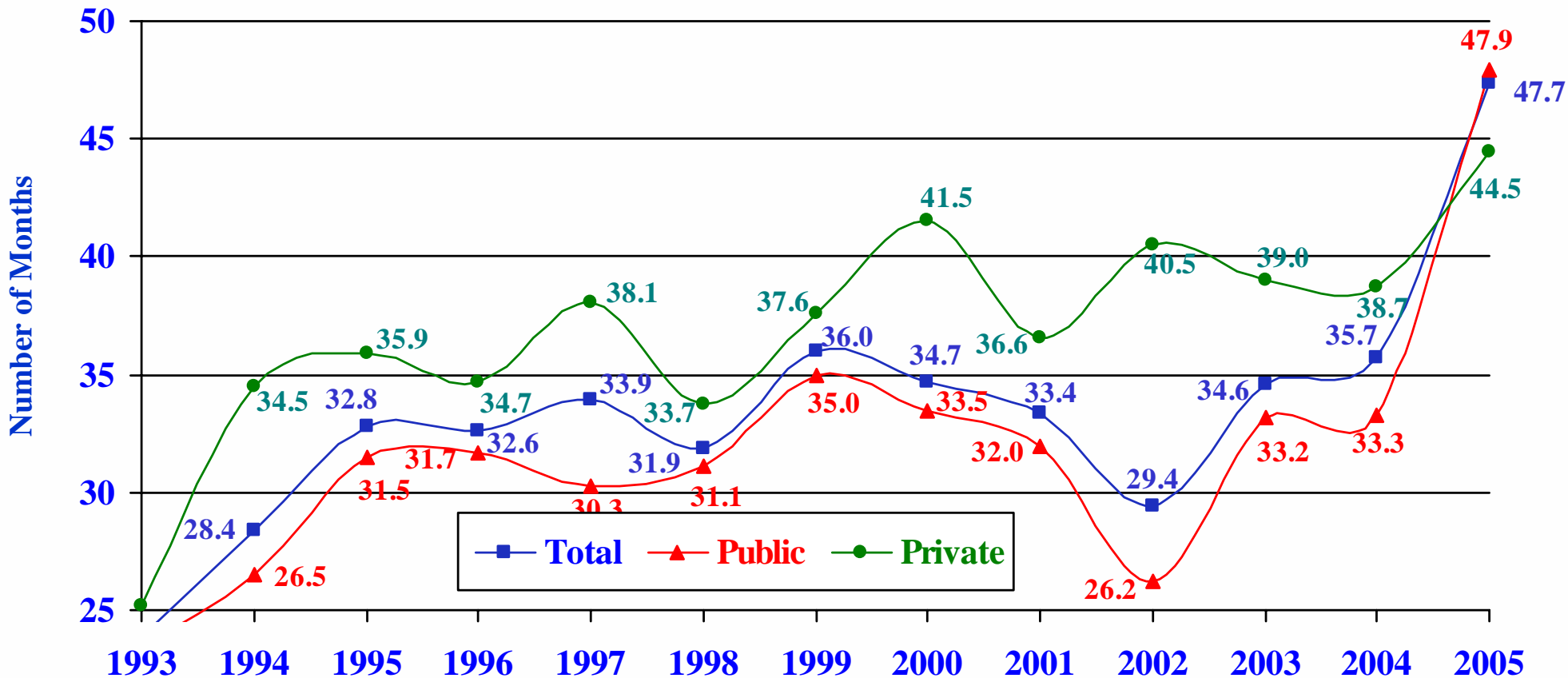


Source : Workplace Information Directorate, Human Resources and Social Development Canada.



# LABOUR PROGRAM

## Average Duration in Months of Agreements Ratified, 1993–2005



Source: Workplace Information Directorate, Human Resources and Social Development Canada.



# Labour Relations Climate

## Person-Days Not Worked

Strikes Involving 500 or More Employees

<b>2005</b>	<b>3,611,910</b>	(406,304 employees)	<b>0.10%*</b>
<b>2004</b>	<b>2,425,600</b>	(236,461 employees)	<b>0.07%*</b>
<b>2003</b>	<b>1,089,410</b>	(57,702 employees)	<b>0.03%*</b>

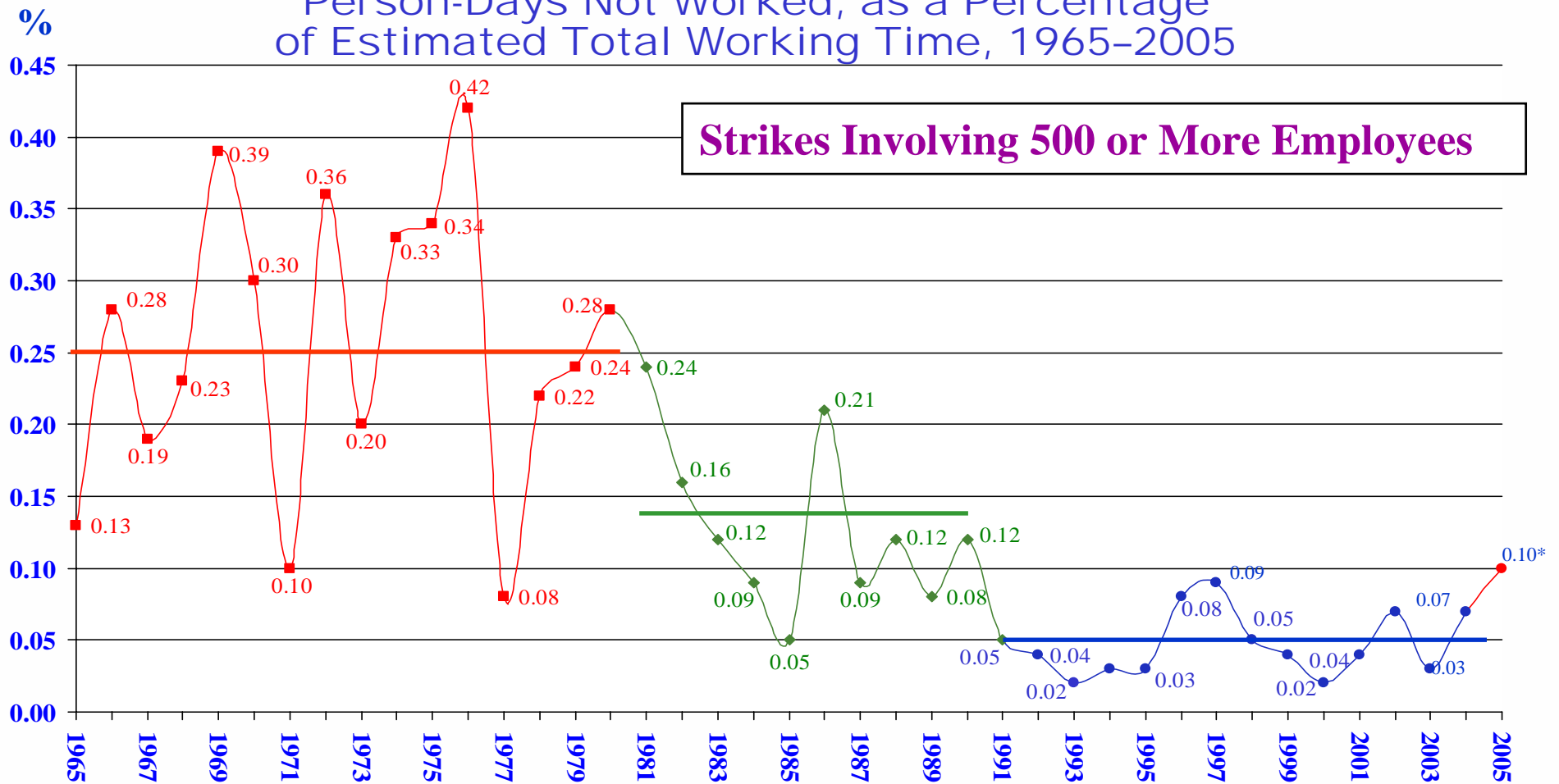
\*Percentage of estimated working time

Source: Workplace Information Directorate, Human Resources and Social Development Canada.



# LABOUR PROGRAM

Person-Days Not Worked, as a Percentage of Estimated Total Working Time, 1965–2005



Source: Workplace Information Directorate, Human Resources and Social Development Canada.



## Management Bargaining Priorities in 2006

## Union Bargaining Priorities in 2006

- 1) Wages
- 2) Health Benefits and Pension Plans
- 3) Productivity
- 4) Competitiveness
- 5) Flexible Work Time

- 1) Wages
- 2) Pay Equity
- 3) Employment Security,  
Contracting-Out
- 4) Health Benefits and  
Pension Plans
- 5) Work-Life Balance

Source: Workplace Information Directorate, Human Resources and Social Development Canada,  
and The Conference Board of Canada, *Compensation Planning Outlook 2006*, Autumn 2005.

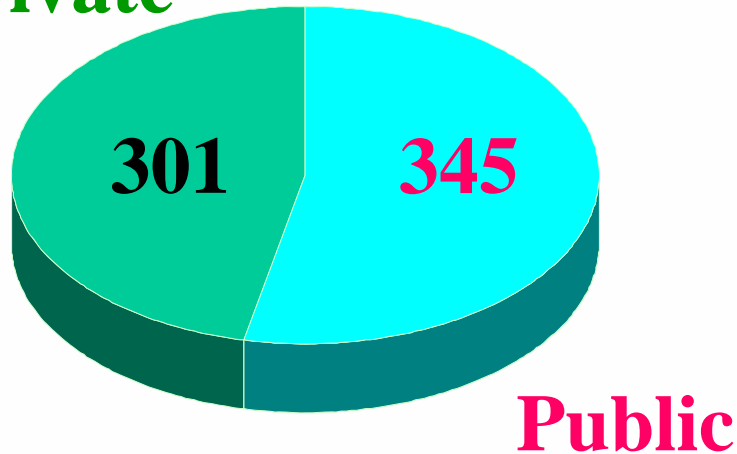


## Agreements in Force, 2006

Agreements

646

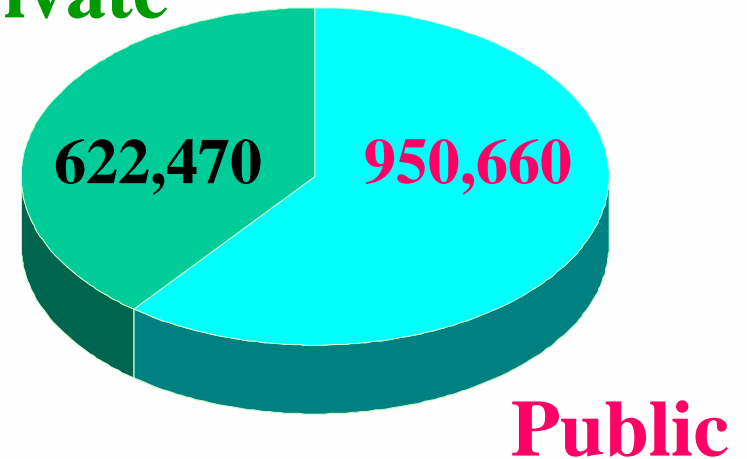
Private



Employees Covered

1,573,130

Private

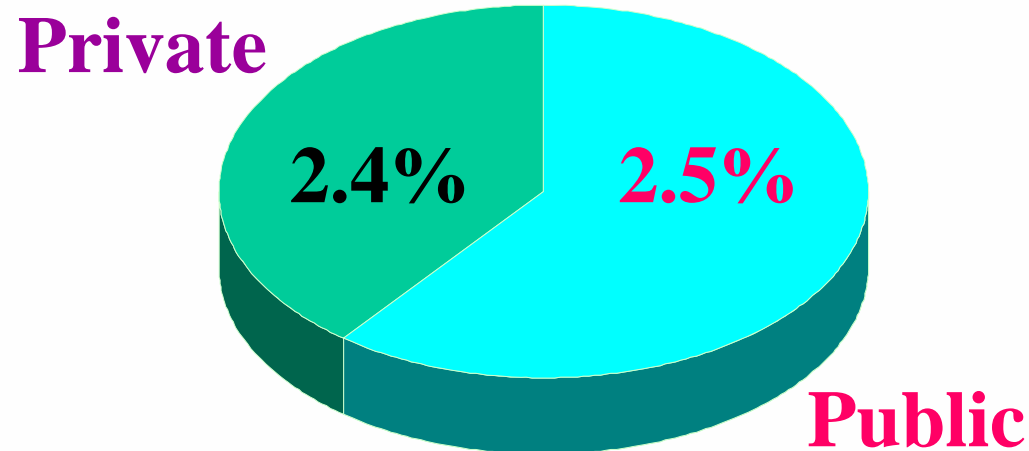


Source: Workplace Information Directorate, Human Resources and Social Development Canada.



## Agreements in Force, 2006

Number of Agreements	646
Employees Covered	1.6 millions
All Sectors	2.4%



Source: Workplace Information Directorate, Human Resources and Social Development Canada.



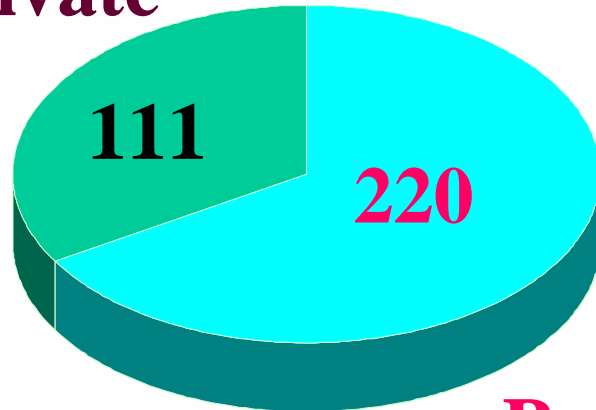


# Expected Settlements, 2006

Settlements

331

Private

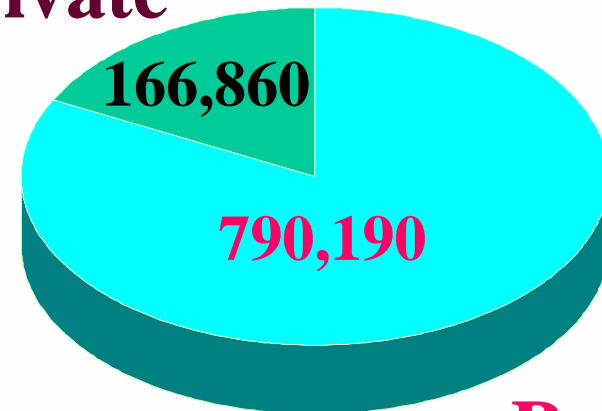


Public

Employees Covered

957,050

Private



Public

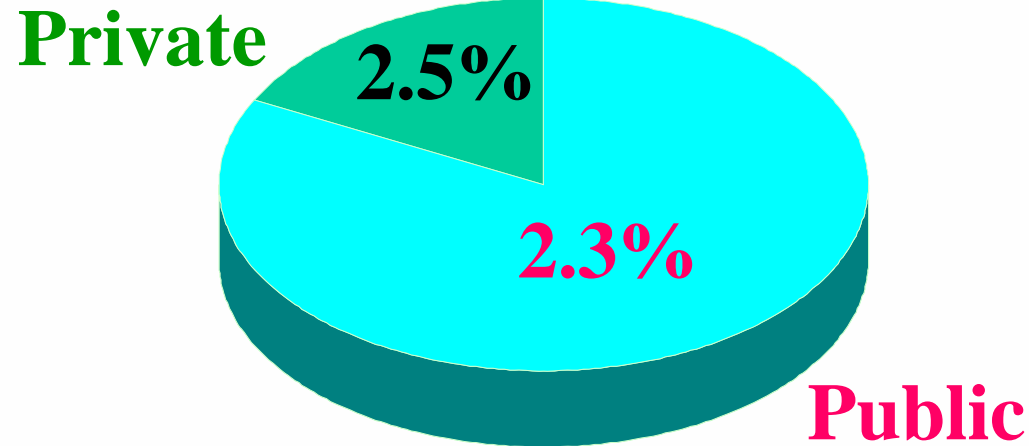
Source: Workplace Information Directorate, Human Resources and Social Development Canada.



# Expected Wage Adjustments for 2006

**All Sectors**      **2.3%**

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*Source:* Workplace Information Directorate, Human Resources and Social Development Canada.



## Types of Innovations

- Industrial relations
- Organization of work
- Compensation and working conditions
- Health and welfare
- Work-life balance
- Funds
- Training and development
- Joint committees



# Industrial Relations

Practices and procedures that alter relationships between labour and management:

- Interest-based negotiation
- Continuous bargaining
- Expedited arbitration
- Grievance mediation
- Long-term collective agreements



## Long-Term Agreements

- The analysis demonstrates that it is in the private sector, more specifically, the manufacturing – pulp and paper – sector, that the duration of collective agreements are longer, followed by the food retail sector.
- 25-year agreement with Cancrew (Hibernia) and Fish, Food and Allied Workers Union. The agreement is automatically renewed unless 60 days' notice to bargain is given. (01.01.2000 – 11.30.2020)



# Organization of Work

- Operational flexibility
- Contracting-out / Contracting-in
- Mutual assistance
- Broadening of job classifications
- Work teams / Modular production
- Distribution of work among workers



## Flexible Work Arrangements

*Bombardier Aéronautique, Canadair Division, Dorval and other Centres, Quebec, and the International Association of Machinists and Aerospace Workers*

*(12.1.2005 – 11.30.2011, settled in May 2005)*

- In order to reduce absenteeism by 50% and increase productivity, a pilot project of a flexible work schedule has been introduced in which it will be possible to bank a maximum of 4 hours of regular time with a maximum accumulation of 2 hours per day.



# Contracting-Out

## *Toronto Transit Commission and Amalgamated Transit Union*

*(04.01.2005 – 03.31.2008, settled in April 2005)*

- Before any maintenance work is contracted out, the employer must advise the union and consider any suggested union alternatives as to how the work could be performed by members of the bargaining unit.
- If the employer violates this provision, it will pay a penalty of \$5,000 to the union.





# Mutual Assistance – Workplace Flexibility

*Government of Canada, West Coast' and Federal  
Government Dockyards Trades and Labour Council*

*(07.31.2004 – 09.30.2006, settled in May 2005)*

- It is agreed that the concerned parties will consult in order to identify opportunities and define conditions under which flexibilities of work assignment between trades within similar skills sets can be utilized to maximize productivities. (Letter of Understanding)



# Operational Flexibility

## *Halifax Shipyard and CAW-CANADA*

*(05.04.2004 – 12.31.2006, settled in May 2004)*

- When all employees with classification seniority before September 17, 1984, in a particular classification, are employed or in training, all employees, providing they are capable, shall perform work of other trades in addition to regular duties and regardless of employment status of an new employees hired after September 17, 1984, or employees without seniority prior to September 17, 1984.



## Rehabilitation Committee

*Saskatchewan Liquor and Gaming Authority and  
Saskatchewan Government and General Employees' Union*

*(04.01.2004 – 0.3.31.2007, settled in August 2005)*

- The committee will develop a policy that supports the accomodation of an employee who has become incapacitated by injury, illness or disability. Also included will be the development of educational tools and the details of rehabilitation/return-to-work placement process.



## Job Sharing

### *Halifax Regional Municipality and Nova Scotia Union of Public and Private Employees*

*(11.1.2004 – 10.31.2008, settled in April 2005)*

- Permanent full-time, part-time and temporary employees will have the opportunity to share jobs through the program. Employees participating in a job share arrangement will receive salary on a pro-rated basis in accordance with the hours worked, will participate in group benefit plans, and will accrue and be entitled to take leave, including holidays, sick, vacation, bereavement and emergency leave, also pro-rated.



# Compensation

- Variable pay follows the trend of Canadian organizations
  - Conference Board of Canada: **86%** have a variable pay plan(s) in place.
  - Public Sector: **94%**
  - Private Sector: **58%**

*Source: Conference Board of Canada, Compensation Planning Outlook 2006, Autumn 2005.*

## Types of Variable Pay

- Individual or group-based
- According to the Conference Board of Canada
  - cash bonus/incentive plans (91%)
  - profit-sharing (13%)
  - team-based (9%)
  - lump-sum payments (6%)
  - gain-sharing (6%)
  - other incentives (6%)



## Variable Pay Bonus

*Bell Canada, Ontario and Quebec, and Canadian  
Telecommunications Employees' Association  
(07.18.2005 - 05.31.2009, settled in July 2005)*

- Effective January 1, 2006, a new payment system will be created where client representatives with sales targets and who do not benefit from wage protection will get 12% of base wages if targets are met.
- The variable remuneration bonus is to recognize the individual contribution to sales targets and quality and productivity objectives.

## Profit-Sharing Plan

*Toronto Star Newspapers Ltd. and  
Communications, Energy, and Paper Workers Union*

*(01.01.2005 – 12.31.2007, settled in April 2005)*

- Over the term of the agreement, annual lump-sum payments, based on the previous years cash margin, will be paid to employees in February of each year. Payment is based on gross profit of operations before the deduction of depreciation, amortization, interest and taxes, above 15, 17 and 20% of corporate revenues.





## Gain Sharing Plan

### *BC Hydro and Power Authority and Canadian Office and Professional Employees Union*

*(04.01.2005 – 03.31.2006, settled in July 2005)*

- Employees will receive an annual lump-sum payment to a maximum of 4% annual salary if corporate measures of financial goals, customer satisfaction, and improvement in all injury frequencies are met.
- Effective April 1, 2007, the calculation may provide a potential payment of up to 5%.



## Bonuses

*Daimler-Chrysler, Ontario, and CAW- CANADA*  
(09.21.2005 – 09.21.2008, settled in September 2005)

- Christmas Bonus - \$1,700 per year

*Ford Motor Company, Ontario, and CAW-CANADA*  
(09.21.2005 – 09.21.2008, settled in September 2005)

- Vacation Bonus - \$1,700 per year



# Individual Performance Incentive

## *Canada Post Corporation and Public Service Alliance of Canada*

*(10.31.2004 – 08.30.2008, settled in February 2005)*

- Employees will be eligible for an incentive potential between 0.5% and 3% of regular salary based on performance rating level. An employee with a performance rating that indicates improvement will receive 0.5% of regular salary and with an exceptional performance rating level will receive 3% of regular salary.



# Corporate Team Incentive Plan

## *Canada Post Corporation and Public Service Alliance of Canada*

*(10.31.2004 – 08.30.2008, settled in February 2005)*

- Full and part-time indeterminate employees will be eligible for an incentive potential of 4% (3%) per fiscal year for meeting corporate financial, service performance, and customer satisfaction targets. If the organization surpasses these objectives, employees can become eligible for an incentive potential greater than 4% (3%).

# Millenium Registered Retirement Savings Plan

*SaskPower and  
Communication, Energy and Paperworkers Union  
(02.01.2004 – 01.31.2007, settled in August 2005)*

- The employer will contribute into an individual plan for each employee an amount equal to 40 hours pay. The dollars are locked in until the employee either retires, is permanently laid off, resigns, dies or is terminated. All employees will have the option of enrolling in the plan, and participation for new employees is mandatory.



# Flexible Spending Account

## *SaskPower and Communications, Energy and Paperworkers Union*

*(02.01.2004 – 01.31.2007, settled in August 2005)*

- SaskPower will offer to all permanent employees a flexible spending account, specifically:

	Full-Time Employees	Part-Time Employees
Beginning January 1, 2006	\$ 2,400	\$ 1,200
Beginning January 1, 2007	\$ 1,600	\$ 800
Beginning January 1, 2008, the amounts will be augmented based on the wage adjustment referring to the year in the collective agreement	\$ 1,600+	\$ 800+



## Same-Sex Benefits

### *Johnson Controls Inc., Ontario, and CAW-CANADA*

*(09.01.2005 – 10.21.2008, settled in September 2005)*

- Employees in a conjugal relationship for at least 12 months will be covered under current plans, provided the various federal and provincial regulatory agencies continue to recognize same-sex relationships.

## Wheelchair Benefits

*CFTO-TV, Division of CTV Television and Communications, Energy and Paperworkers Union*

*(01.01.2004 – 12.31.2007, settled in July 2004)*

- If an employee requires the use of a wheelchair to be ambulatory, insurance coverage will be for a one-time cost to the employee's home to make it wheelchair accessible and habitable and the one-time cost of modifications necessary to a motor vehicle utilized by the employee to make the vehicle accessible or driveable for the employee up to a maximum of \$15,000 within 365 days from the accident.





## Physical Activity or Sports

### *TELUS Communications, Quebec, and Canadian Union of Public Employees*

*(02.04.2005 – 03.31.2006, settled in February 2005)*

- Benefit related to the promotion of physical activity or sports related. The reimbursement can amount to a maximum of \$130 per year with the presentation of proof of registration to one or more physical or sports activity.
- The reimbursement is made by the manager with proof of registration.



# Day of Mourning and Remembrance

*Domtar Inc., Ontario, and  
Communications, Energy and Paperworkers Union  
(5.01.2004 – 04.30.2009, settled in September 2005)*

- The parties will recognize April 28 of each year as the annual day of remembrance for employees killed or injured on the job. The employer will lower the flag at the main entrance of the operations to half-mast on this date.



## Quarantine Leave

*City of Toronto, Homes for the Aged, and  
Canadian Union of Public Employees*

*(01.01.2005 – 12.31.2008, settled in September 2005)*

- Employee's absence caused by a legally recognized quarantine imposed by a job-related incident will be treated as a leave of absence with pay.



# Humanity Fund

*Kruger Inc., Quebec, and  
Communications, Energy and Paperworkers Union  
(05.01.2004 – 04.30.2009, settled in January 2005)*

- Employer contributes an amount equal to that of employees to a maximum of \$20 per year, per employee, and \$10,000 per year for the company as a whole.



## Hardship Fund

*St. Boniface General Hospital, Manitoba, and  
United Food and Commercial Workers International Union*

*(04.01.2004 – 03.31.2008, settled in February 2005)*

- Parties agree that if the support staff become eligible for any reduced employment insurance premium, such monies will be submitted to a fund; this fund will be for the purposes of providing monetary relief to Union Local members in times of economic crisis.



# Training and Development: Tuition Assistance

*Daimler-Chrysler, Ontario, and  
CAW-CANADA*

*(09.21.2005 – 09.19.2008, settled in September 2005)*

- \$1,500 per year per dependant enrolled in a college or university, including eligible dependants of retirees.



## Training Committee

*Laurentian Bank of Canada and  
Office and Professional Employees International Union*

*(07.01.2001 – 12.31.2007, settled in March 2005)*

- To be established in order to submit recommendations to the employer with respect to the way employees are advised of training programs and plans, to the training needs and results of employees, to the training methods aimed at fostering internal employee mobility and also to propose adjustments, as needed, to the training program.



# Workplace Violence Prevention and Protection

*Canada Post Corporation and  
Public Service Alliance of Canada  
(10.31.2004 – 08.30.2008, settled in February 2005)*

- To be established to develop a half-day training module for new employees that will address conflict and human rights issues in the workplace.





# Benefits Review Committee

*Health Boards of Alberta and  
Health Sciences Association of Alberta  
(04.01.2005 – 03.31.2008, settled in July 2005)*

- To review benefit plans and make recommendations for improvements in cost containment, flexibility, tax effectiveness, service, competitiveness and administration.



# Workplace Health and Welfare Committee

*Hydro One (Ontario) and  
Canadian Union of Public Employees  
(04.01.2005 – 03.31.2008, settled in March 2005)*

- To be established to develop a plan whereby employees may opt out of certain health and medical coverage in return for alternate compensation.



# “Whistle Blower” Protection

*University of Toronto and  
United Steelworkers of America  
(07.01.2005 – 06.30.2008, settled in September 2005)*

- An employee will not be discharged, penalized or disciplined in the event of good faith reporting to the appropriate regulatory authority of a release of a hazardous substance.



# Workplace Information Directorate

## Human Resources and Social Development Canada

- *1 800 567-6866 or 819 997-3117*
- *819 953-9582 (fax)*
- *Website:* [www.hrsdc.gc.ca/en/lp/wid/contact/contact\\_us.shtml](http://www.hrsdc.gc.ca/en/lp/wid/contact/contact_us.shtml)